

EXHIBIT 5  
DATE 3/15/11  
HB 560



March 14, 2011

To Whom It May Concern:

The members of The Billings Industrial Revitalization District Inc, a 501c (6) non profit corporation, representing over 200 land owners in the East Billings Urban Renewal District (EBURD) through their Board of Directors in Billings ask you to oppose HB 560, HB 561, HB 562 and HB 564 applying to Urban Renewal Districts (URDs) and Tax Increment Financing Districts (TIFDs).

URDs and TIFDs are among the few financial tools that Montana cities can employ to stabilize and revitalize declining urban areas. Other taxing districts -- such as schools, counties and cities -- continue to receive the same property tax revenues they always have from the properties in a district after a TIFD is formed. Yet, because additional property taxes raised from new investments are available for *public* improvements in URDs and TIFDs, there is an incentive for businesses to move to these areas. When the district expires after 15 years, or the length of the bonds issued for improvements, the additional property taxes flow back to the other taxing districts forever.

There is no better example than in the City of Billings, where First Interstate Bank (FIB) constructed a \$12,000,000.00 information technology center. Its parking lot and meeting rooms are open to the public and have been used by many local groups. The year before FIB was built, taxes in the EBURD actually went down from the previous year. In the year after FIB was built, taxes increased \$95,000, and they continue to grow.

Montana cities have effectively used URDs and TIFDs for more than 35 years. In Billings, business leaders approached the City to create the districts that are performing well. Proposed bills HB 560, 561, 562 and 564 unnecessarily complicate the process for the business community and local governments.

Please oppose HB 560, HB 561, HB 562 and HB 564.

Sincerely,

Martin R. Connell  
President

cc: Board of Directors